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'96 MAY 30

OFFICE

CSAV/MITSUI SPACE CHARTER AGREEMENT

FMC AGREEMENT NO. \_\_\_\_\_

AGREEMENT TYPE:

SPACE CHARTER  
AGREEMENT

LAST REPUBLISHED:

NOT APPLICABLE

CURRENT EXPIRATION DATE:

NOT APPLICABLE



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**ARTICLE 1 - Name of the Agreement** - This Agreement shall be known as the CSAV/Mitsui Space Charter Agreement.

**ARTICLE 2 - Purpose** - The purpose of this Agreement is to permit the Parties to charter space on each other's car carrier vessels and to utilize other related equipment in connection with the carriage of cargo on terms and conditions agreed to by the Parties in the trade within the geographic scope set forth in Article 4.

**ARTICLE 3 - Parties to the Agreement** - The Agreement is made by and between the following parties:

1. Compania Sud Americana de Vapores ("CSAV"), a company organized under the laws of the Republic of Chile, with its principal office at Valparaiso, Chile; and
2. Mitsui O.S.K. Lines, Ltd. ("Mitsui"), a company organized under the laws of Japan, with its principal office at Tokyo, Japan.

**ARTICLE 4 - Geographic Scope of the Agreement** - The geographic scope of this Agreement shall extend to the carriage of automobiles and other vehicles via direct service or transshipment between ports and inland points in South America, Central America, Mexico, the

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Caribbean Sea, and United States Atlantic, Gulf and Pacific ports and inland points hereinafter called "the Trade."

**ARTICLE 5 - Authority**

**a. Carrier Obligations**

Carriers may from time to time transport tendered cargo and/or equipment, on a capacity-available basis as requested by the other Carrier.

**b. Designation of Carriers as Charterers and Owners**

As used herein, Carriers who from time to time charter vessel capacity from the other Carrier shall be referred to as "Charterer." Carriers whose vessel capacity is chartered by other Carrier for transportation hereunder shall be referred to as "Owner."

**c. Compensation**

Compensation for any transportation pursuant to this Agreement shall be as Carriers may from time to time agree.

**d. Equipment Maintenance**

Where applicable, Owners will ensure that their personnel will, in accordance with instructions to be communicated from time to time by Charterers to Owners, during voyages when Owners transport Charterers' equipment pursuant to the provisions of this Agreement, maintain, repair, and inspect such equipment.

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e. No Joint Service, Pooling or Pricing

The space charter of vessels provided hereunder does not create a joint service, permit the Parties to discuss or agree on rates or terms to be offered or charged the shipping public or permit the Parties to pool cargo or revenue except as permitted under agreements of which the Parties are or may become members, which agreements are filed with the FMC and effective pursuant to the Shipping Act of 1984.

f. Booking, Documentation and Other Administrative Procedure

Procedures for booking vessel capacity, documentation and other administrative matters relating to chartering and transportation provided under this Agreement as well as allocation of responsibilities shall be as Carriers may from time to time agree.

**ARTICLE 6 - Officials and Delegations of Authority** - The firms of Maddy, Lion & Greenwood and Warren & Associates are appointed as U.S. representatives of the Agreement and are authorized to file with the Governmental Authorities the Agreement and any amendments hereto, as well as to submit associated supporting materials.

**ARTICLE 7 - Membership, Withdrawal, Readmission and Expulsion** - Membership is limited to the parties hereto, except that additional parties may be admitted or readmitted by

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unanimous consent of the members and by amendment of the Agreement pursuant to the Shipping Act of 1984.

**ARTICLE 8 - Voting** - All exercise of authority under the Agreement shall be by the unanimous consent of the Parties.

**ARTICLE 9 - Duration and Termination** - The effective date of the Agreement shall be the day the Agreement becomes effective pursuant to Sections 5 and 6 of the Shipping Act of 1984. The first period of the agreement will commence on the effective date, and will end on the 31st of December 1996. Thereafter, the Agreement shall be automatically renewed for periods of one calendar year. Any party may terminate its participation in the Agreement by giving thirty (30) days written notice to the other Party, and by furnishing a copy of that notice to the Federal Maritime Commission or successor agency.

**ARTICLE 10 - Compliance with Chilean and United States Regulations** - The provisions and implementation of this Agreement will fully comply with the Chilean Maritime Regulations, and the U.S. Maritime Regulations, including but not limited to the statutes administered by the Federal Maritime Commission of the United States.

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**ARTICLE 8 - Voting** - All exercise of authority under the Agreement shall be by the unanimous consent of the Parties.

**ARTICLE 9 - Duration and Termination** - The effective date of the Agreement shall be the day the Agreement becomes effective pursuant to Sections 5 and 6 of the Shipping Act of 1984. The first period of the agreement will commence on the effective date, and will end on the 30th of June 1996. Thereafter, the Agreement shall be automatically renewed for periods of one calendar year. Any party may terminate its participation in the Agreement by giving thirty (30) days written notice to the other Party, and by furnishing a copy of that notice to the Federal Maritime Commission or successor agency.

**ARTICLE 10 - Compliance with Chilean and United States Regulations** - The provisions and implementation of this Agreement will fully comply with the Chilean Maritime Regulations, and the U.S. Maritime Regulations, including but not limited to the statutes administered by the Federal Maritime Commission of the United States.

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**ARTICLE 11 - Arbitration and Governing Law** - In the event that any dispute between the parties should arise under the Agreement, the matter in dispute shall be resolved by arbitration conducted in accordance with the Rules of New York Society of Maritime Arbitration. Arbitration shall be held in New York, New York. The Agreement shall be governed by and construed in accordance with the laws of New York State.

**ARTICLE 12 - Notices**

All notices and other communications pertaining to the Agreement, except as the parties may otherwise provide, shall be sent by airmail, postage prepaid and addressed as follows:

COMPANIA SUD AMERICANA DE VAPORES S.A.  
P.O. Box 49-V  
Plaza Sotomayor 50  
Valparaiso, Chile  
Telex 230000  
Fax 56-32-203333

MITSUI O.S.K. LINES, LTD.  
1-1, 2-Chome, Toranomon,  
Minato-Ku  
Tokyo 105-91, Japan  
Telex: J22266MOLINE TOKYO  
Fax 81-33-587-7727/28

Priority notices and communications may be sent by telex and confirmed by airmail. Telex communications shall be deemed to have been received if such communications bear the recipient's answerback.



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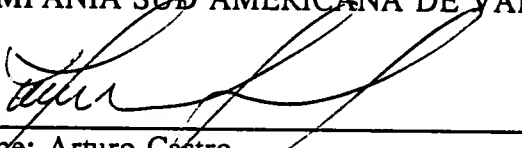
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**ARTICLE 13 - Signature** - The Agreement is executed by the following parties, by their authorized representatives.

Dated: May 31, 1996

COMPANIA SUD AMERICANA DE VAPORES

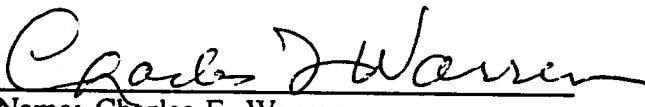
By:

  
Name: Arturo Castro

Title: Vice-President, Traffic & Sales, Chilean Line Inc.,  
as General Agents

MITSUI O.S.K. LINES, LTD.

By:

  
Name: Charles F. Warren

Title: Attorney-in-Fact